

For Immediate Release:

Contact: Nathan White (202)225-5871

Chairman Dennis Kucinich (D-OH) today stated that the Securities and Exchange Commission's (SEC) decision to file charges against Bank of America (BofA) for the 'material omission' of failing to report Merrill Lynch (Merrill) bonuses to shareholders prior to a key vote to approve the merger vindicates the Domestic Policy Subcommittee's investigation of the deal. Chairman Kucinich brought this to the attention of the SEC and requested an official decision in an [April 6th](#) letter, and received confirmation of the SEC's investigation on [April 10th](#). (letters below)

"The announcement of the enforcement action by the SEC today is good news for shareholders and for corporate accountability. The conclusions of the SEC parallel the Domestic Policy Subcommittee's investigation of the BofA/Merrill deal, which has uncovered significant irregularities in Bank of America's disclosures to shareholders, including the timing of the bonus payments at the center of the SEC's enforcement action," stated Kucinich.

On April 6, Chairman Kucinich informed the SEC of the potential violation and requested that the SEC make an official determination as to whether Bank of America was in violation of the Securities Exchange Act of 1934 by withholding information from shareholders about Merrill Lynch's plans to pay billions of dollars in bonuses to top Merrill Lynch employees.

Kucinich was critical, however, of the terms of the settlement of the lawsuit. "The terms of the settlement indicate that Bank of America will not be required to answer the charges of failing to disclose to BofA shareholders the existence of \$3.6 billion in bonuses that Merrill paid its own executives prior to the merger agreement. Instead, BofA will pay a fine of \$33 million. Apparently corporate crime in America pays, and for those who approved and received bonuses it pays handsomely. My Subcommittee will continue its investigation to examine irregularities and possible crimes surrounding this deal. This may not be the last fine that Bank of America pays for how it handled its merger of Merrill Lynch," added Kucinich.

Chairman Ed Towns of the Committee on Oversight and Government Reform and Kucinich, Chairman of the Domestic Policy Subcommittee, have held three joint hearings examining the

Bank of America-Merrill Lynch merger. Together, Chairman Towns and Chairman Kucinich have received testimony from Bank of America CEO Ken Lewis, Federal Reserve Chairman Ben Bernanke, and former Secretary of Treasury Henry Paulson.

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### Documents and Links

- [Kucinich Letter to SEC](#)
- [SEC Response to Kucinich](#)